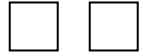


DESK REVIEW FOR 2004-2005 AUDITS OF SCHOOL DISTRICTS



SCHOOL CODE:		SCHOOL DISTRICT:					
AUDIT FIRM:					DATE REVIEW STARTED:		
AUDIT ACCEPT: A AR S SI		QCR BOA DATE:		N/A		DATE REVIEW COMPLETED:	
DATE A133 REC'D:		RECEIVED MANAGEMENT LETTER Y N				AUDITOR:	
Condition F,RC,NC,II	To:	Date of Follow-up	Date Response Received	Amount Question Costs	Amount Received	Condition Resolved Y N P	Second Request Date
NOTES:				SUBMITTED ELECTRONICALLY _____			
RPT		MGMT CO		AUTHORIZER			

I. Schedule of Findings and Questioned Costs:

- Number of Findings Current Year? Per Audit _____ Per DCF _____
 Number of Findings Prior Year? Per Audit _____ Per DCF _____
 Questioned Costs Per Audit? \$ _____
 Status of Prior Year Findings Included? Y N/A Check last year's desk review Y N/A
- Internal Control Weaknesses
 A. Reportable Conditions _____ C. Material Noncompliance _____
 B. Material Weaknesses _____ D. Nonreportable Conditions _____
- Is the school district's response required? Yes ___ No ___
 If yes, is response included in the report? Yes ___ No ___
 Acceptable? Yes ___ No ___ Follow Up Action (Use schedule above)
- Per the auditor, does this school qualify as a low-risk auditee? Yes ___ No ___

II. Financial Statements:

- Notes/reports disclose questioned/unsupported costs material or significant to the financial statements/federal programs.
 Yes ___ No ___ If yes, are they reflected appropriately in notes and reports? Yes ___ No ___ If no, reference and identify.
- Material/significant violations of finance - related legal and contractual provisions (deficit(s), excess of expenditures over appropriations in individual funds, etc.) Yes ___ No ___ Reference and identify if not appropriately reflected in the notes, reports and schedules.
Line items:
 A. Transfer from School Service Fund to General Fund? If so, reference and identify – is it allowable?
 B. Was the GASB #34 Reporting Model used for this school? Yes ___ No ___ MD&A _____ Gov't wide F/S _____ ?
- Financial statement presentation and note disclosures:
 A. Complete and comply with GAAP? Yes ___ No ___
 B. Balance Sheet contains required funds? Yes ___ No ___
 C. Balance Sheet contains accrued liabilities? Yes ___ No ___
- Comparison of General Fund balance between audit and FID - Per FID \$ _____
 If fund deficit, when was DEP approved? _____ - Per Audit \$ _____

III. Review of Reports and Schedules:

1. Auditor's opinion on the financial statements:

☐

Unqualified

☐

Qualified

☐

Adverse

☐

Disclaimer of Opinion

2. Opinion or explanatory information has material or significant effect on the Federal programs or on the financial statements.
Yes ___ No ___ If yes, reference and explain.
3. REPORTS: Mark "X" for the acceptable, make notes for follow-up.

Acceptable

- () Auditor's Report on the Financial Statements
- () Report on Supplementary Schedule
of Expenditures of Federal Awards
(May be Combined with the Above Report)
- () Report on Compliance and on Internal Control Over
Financial Reporting Based on an Audit of Financial
Statements performed in accordance with
Government Auditing Standards.
- () Report on Compliance with Requirements Applicable
to each major program and internal control over
compliance in accordance with OMB Circular A-133
- () Other reports - fraud, abuse or illegal act is
discovered or suspected (N/A)

All applicable reports are included and acceptable Yes ___ No ___

4. SCHEDULES: Mark "X" for the acceptable, make notes for follow-up

Acceptable

- () A. Schedule of Findings & Questioned Costs
- () (1) Summary of auditor's results
- () (2) Indicates major programs Yes ___ No ___ 25% low-risk 50% high-risk
- () (3) Presentation of findings relating to the
Financial Statements
- () (4) Presentation of findings relating to the
Federal Awards

() (5) Corrective action plan and comments on auditor's findings and recommendations

() B. Summary Schedule of Prior Audit Findings (N/A)

() (1) Status of prior year findings

() (2) Recommendations and comments of the auditor on prior year findings

() C. Schedule of Expenditures of Federal Awards

() (1) CFDA and project numbers

() (2) Subtotals for each CFDA # & grand totals for Federal Financial Assistance Received and Expended

() (3) Current year cash "payment in kind" received from Federal sources AND expenditures for each program are reported by department and passed through grantor

() (4) The value of commodities received and expended. Commodities are appropriately presented in the Financial Statements & FID. If no, explain. Yes ____ No ____

	PAL	SEFA	Difference
Entitlement Receipts			
Bonus Receipts			
Entitlement Expenditures			
Bonus Expenditures			
	FID	SEFA	

() (5) Verified with R7120 all Federal funds received from MDE _____

() (6) Columns and format

() (7) Footnotes and disclosure

() (8) Schedule crossfoots

() D. Schedule of reconciliation (N/A)

F/S \$
A-133 (\$_____)

- () E. Schedule of Federal funds provided to subrecipients (N/A)

All applicable schedules are included and acceptable Yes ☐ No ☐

IV. Conclusion: In my opinion, the report is:

- () Acceptable
() Acceptable with Reservation
() Substandard
() Significantly inadequate
() A quality control review should be scheduled. (Reasons for QCR recommendation).

Signature _____ Date Review Completed _____

COMMUNICATION SECTION

[illegible]

DEFINITIONS FOR CONCLUSIONS ON THE DESK REVIEW FORM

Acceptable - The report is usable without change or with minor changes. The report generally meets the objectives of the audit and needs of the users. The auditor has substantially complied with State and Federal requirements and professional standards. Examples include (1) the report does not identify intended users, (2) the schedule of federal financial assistance includes erroneous project numbers, (3) a report letter includes items that are not applicable and (4) footnotes are missing.

Acceptable with Reservation - The report is acceptable or usable by MDE with additional explanations or assurances from the auditor. The audit is not in complete compliance with State or Federal requirements or professional standards, however, the auditor has committed to making the corrections in the subsequent audit. Errors do not have a significant impact on the audit for most users, therefore, revised reports are not required. Examples include (1) the Schedule of Federal Financial Assistance does not have additional columns as required by the Manual, (2) the report is lacking a schedule of Federal Financial Assistance provided to subrecipients and (3) the subsequent audit is being done and the auditors have corrected the problem.

Substandard - The report/audit requires major changes. It requires correction and reissuance of one or more report letters or schedules. The deficiencies diminish the reliability and usability of the report. Examples of these types of deficiencies include (1) failure to identify the categories of internal control, (2) insufficient information in audit findings, (3) programs not tested, (4) significant violation of the 50% rule and (5) report is missing.

Significantly Inadequate - The report contains deficiencies that make the audit report unusable for fulfilling one or more objectives of the audit. The deficiencies are material and pervasive in nature. The deficiencies are identified with several report components. Examples of this type of deficiency include (1) the lack of a required report component and failure to provide it to the Department upon request, and (2) the auditor or audit organization does not meet the qualification standard.